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SENSITIVE

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TAGS: [SENV](#) [KGHG](#) [ENRG](#) [TD](#)

SUBJECT: SLOW PROGRESS ON T&T'S NATIONAL CLIMATE CHANGE POLICY

REF: 07 Port of Spain 1159

SENSITIVE BUT UNCLASSIFIED - PROTECT ACCORDINGLY

**¶1.** (SBU) SUMMARY: Although Trinidad and Tobago's leadership has made a variety of public statements calling attention to climate change, the country still lacks a clear strategy to reduce greenhouse gas emissions. The recent creation of a dedicated climate change unit within the Ministry of Planning, Housing, and the Environment suggests the GOTT is organizing to address climate change in a more systematic way as the country prepares to host the Summit of the Americas and the Commonwealth Heads of Government Meeting in 2009. Newly proposed energy policy changes that may lead to reduced vehicle emissions offer further evidence that the GOTT is thinking more strategically about climate change. However, it remains unclear how T&T will balance a real world -- as opposed to rhetorical -- environmental strategy with its industrial development program. END SUMMARY.

**¶2.** (SBU) Following his November 2007 re-election, Prime Minister Manning shifted the environmental portfolio from the Ministry of Public Utilities to the Ministry of Housing and Planning. Shortly thereafter, on the margins of the Commonwealth Heads of Government Meeting in Uganda (ref), the PM publicly tasked newly appointed Minister of Planning, Housing and the Environment, Emily Dick-Forde, with developing a proposal to address greenhouse gas (GHG) emissions. Neither this shift, nor Manning's remarks sparked immediate action. In fact, it was not until June 2008, with the 2009 Summit of the Americas and the Commonwealth Heads of Government meetings looming, that the issue resurfaced on the GOTT's public agenda.

**¶3.** (SBU) In June, Manning addressed attendees at a regional investment conference, proclaiming that a "global crisis" was looming. He pointed to climate change as one crisis element and noted that the Caribbean was already feeling the effects - witnessing changes in weather patterns, coastal erosion, and greater threats from hurricanes. The PM highlighted the need to increase fuel efficiency and the use of alternative energy, but he offered no concrete plans. In her June 5 World Environment Day address, however, Minister Dick-Forde heralded T&T's general commitment to reducing GHG. In this regard, she highlighted a reforestation program and a long-standing solar water-heating demonstration project, as well as the Environmental Management Authority's (EMA) efforts to put into effect new air pollution rules. Further, she announced that the GOTT had "commissioned the development of a Carbon Neutral Strategy...[that] will be the basis for the development of our country's national climate change policy."

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SIGNS OF REAL MOVEMENT ON CLIMATE CHANGE POLICY?  
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**¶4.** (U) Two developments in August suggest there is indeed some

momentum toward defining a climate change policy. First, John Agard, outgoing EMA Chairman and a member of the Intergovernmental Panel on Climate Change, and Minister Dick-Forde, announced a five year, US\$5 million project to restore the Nariva Swamp. Funded by the World Bank, the Nariva Swamp Restoration and Carbon Sequestration Project will replant 1,300 hectares of deforested land. Under the Clean Development Mechanism (CDM), the carbon credits generated from this project will be purchased by the World Bank and sold on the carbon trading market. This collaboration between the EMA and the Ministry is noteworthy, as Agard has and continues to publicly encourage the GOTT to take a more aggressive stance on environmental issues using market incentives.

**¶15. (U)** Second, the Ministry of Planning, Housing and the Environment established the Multilateral Environmental Agreements Unit. This new unit is charged with developing a national climate change policy and is headed by Kishan Kumarsingh (Note: Kumarsingh is chair of the T&T Cabinet-appointed working group charged with formulating GOTT notifications under the Kyoto Protocol and a former chair of the Subsidiary Body for Scientific and Technological Advice of the U.N. Framework Convention on Climate Change.) Having led climate change policy development and implementation at the EMA, Kumarsingh is well positioned to lead this new unit. In a conversation with EconOff, Kumarsingh indicated that his mandate is to develop a full strategy to address climate change. With the Ministry focused on policy development, Kumarsingh expects the EMA will shift its climate change focus to implementation. Both the Ministry and EMA will increase the staff devoted to climate change issues, Kumarsingh said.

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CLEANER ENERGY COMING, BUT NO RENEWABLES PUSH IN SIGHT

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**¶16. (U)** The GOTT unveiled several energy policy measures in its FY-2009 budget that may ultimately reduce motor vehicle emissions, estimated to account for more than forty percent of local GHG emissions. In her September 22 budget presentation to Parliament, Finance Minister Karen Nunez-Tesheira announced a higher tax rates for motor vehicles and an immediate increase in the subsidized price of premium gasoline from TT\$3.00 to TT\$4.00 per liter (US\$0.50 to US\$0.67). The increase in the price of gas is intended to target luxury vehicles, as subsidized prices for lower grade gasoline and diesel remain unchanged. The brunt of the motor vehicle tax rate increase falls on cars with smaller engines. Local economists question whether these measures will have any impact on consumption or traffic congestion. Nevertheless, they are the GOTT's first serious attempt to shift incentives in response to a massive increase in motor vehicle ownership (and road congestion) in recent years. Nunez-Tesheira also announced that the GOTT will convert its vehicle fleet to compressed natural gas (CNG), increase the number of service stations equipped to supply CNG, and eliminate taxes and import duties on CNG conversion kits. While the Minister of Finance outlined some possible avenues for encouraging CNG adoption, Kumarsingh indicated that his Ministry has yet to develop a specific CNG policy or timeline for implementation.

**¶17. (SBU)** In the power sector, the T&T Electricity Commission has improved price incentives and is in the process of modernizing metering. The GOTT also has signaled its intent to upgrade existing gas-fired power generating plants with more efficient combined cycle plants. Nevertheless, T&T still has some of the lowest cost electricity in the hemisphere. While this has been a key selling point to attract foreign investment, it offers little incentive to develop T&T's renewable energy potential. The Ministry of Energy claims to be considering renewable energy options, but no specifics are available.

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STICKING TO SIDS CONSENSUS FOR NOW

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**¶18. (U)** T&T's climate change policy perspective remains unaltered (ref). The GOTT is primarily concerned with sea level rise and

weather pattern disruptions. T&T continues to support the goal of achieving less than a two degree Celsius increase in temperature from pre-industrial times, a position favored by most Small Island Developing States (SIDS). Kumarsingh also noted to EconOff the GOTT's support for keeping carbon dioxide concentrations below a maximum level of 450 ppm to avoid catastrophic damage to the environment. In terms of accountability, T&T rejects the use of per capita emissions as a metric for evaluating country level carbon dioxide contributions. (Note: T&T ranks among the top ten per capita carbon emitters in the world.)

**¶9.** (U) As in previous conversations, Kumarsingh identified adaptation as a priority for T&T, particularly given the nation's small contribution to global greenhouse gas emissions and the disproportionate impact climate change will have on SIDS. Yet, there is growing interest in mitigation as demonstrated by the newly proposed CNG initiative and reforestation project. Kumarsingh suggested T&T is interested in increasing such activities by noting the Ministry's hope to undertake a carbon capture storage demonstration project and expand its access to the Clean Development Mechanism. Securing start up financing for such initiatives, however, may be challenging. While Kumarsingh did not rule out the implementation of a cap and trade system, he noted a GOTT preference for industry to self-regulate. Irrespective of current or future project, Kumarsingh emphasized the importance for technology transfer to help SIDS adapt to climate change and mitigate its impacts.

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COMMENT: I CAN SEE CLEARLY NOW  
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**¶10.** (SBU) With climate change a topic for both the Summit of the Americas and the Commonwealth Heads of Government meetings, the GOTT may face pressure to further define its climate change policy, mindful of its status as one of the world's top ten per capita GHG emitters. Ambassador Luis Alberto Rodriguez, T&T's National Summit Coordinator, told a local audience in June that T&T "should not ignore our responsibility to strive for environmental sustainability" and called for the development of alternative energy sources. Nonetheless, the GOTT also has made clear that as a small developing country, it feels the heavy lifting on climate change must take place elsewhere. Whether it moves beyond scattered initiatives and soaring rhetoric to actual sustained action that

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impacts on its natural gas-based development model remains to be seen.

AUSTIN